NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Confusion Salvage Timber Sale is located within Sections 30 and 32, T16N-R15W, on the State's Clearwater Unit. Approximately 3,425 tons of sawlogs and 318 tons of mandatory pulp removal, consisting of lodgepole pine are offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on January 5, 2007 at 3:00 p.m. Bids may be hand delivered or mailed and will be accepted any time prior to the bid opening. DNRC recommends that bidders contact the Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received. Bids must be accompanied by a deposit of \$3,203.00, representing 5% of the minimum bid value of the sale in cashier's check, certified check, bank money order or bank draft to be applied to the stumpage for the successful bidder. Bid bonds will be accepted and, for the successful bidder, will be closed upon execution of the Timber Sale Contract and Timber Sale Bond.

The sale will be awarded to the highest responsible bidder. If the successful bidder is unable to execute the contract within **15 calendar days** from the date the sale is awarded, the bid deposit will be retained by the Department as liquidated damages. The right is reserved to reject any or all bids.

Prospective bidders can obtain the sale prospectus, sale contract and bid forms from the Department of Natural Resources & Conservation, Trust Land Management Division, in Missoula (406-542-4300), the Southwest Land Office in Missoula (406-542-4200), or the Clearwater Unit Office in Greenough, MT (406-244-5857).

Visit our website at http://www.dnrc.mt.gov/ Online Services for upcoming sales and bid results

/s/ David A. Groeschl, Chief Forest Management Bureau Trust Land Mgmt Division

Publication Dates: December 20, 27, 2006, January 3, 2007

TIMBER SALE PROSPECTUS MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Confusion Salvage

Timber Sale Location: Section 30 and 32, T16N-R15W

For specific sale information, contact: Craig V. Nelson

Phone 406-244-5857 Clearwater Unit Office

For copies of the Timber Sale Contract and bid forms, contact:

Phone 406-542-4300 Forest Management Bureau DNRC Missoula Office

Phone 406-542-4200 Southwestern Land Office

General Bidding Information

1. Bids must be submitted on standard DNRC bid forms.

- 2. Timber will be sold to the highest responsible bidder; however, the Department reserves the right to reject any or all bids.
- 3. DNRC recommends that bidders contact the Forest Management Bureau, Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received.
- 4. A **bid guarantee** must accompany all bids and must be in the form of cash, cashiers check, certified check, bank money order, bank draft, surety bond or irrevocable letter of credit.
- 5. The Purchaser must submit a **performance bond within** 15 days of the sale award. It will amount to 20% or more of the bid value of the sale. The performance bond may be in the form of cash, irrevocable letter of credit, surety bond or certificate of deposit. The performance bond must be maintained separately from other payments for the duration of the sale contract.
- 6. The Purchaser must submit an **advance stumpage payment** prior to cutting any timber. The amount of the advance will be based on the expected harvest rate and the bid value of the stumpage. The advance may be in the form of cash, irrevocable letter of credit, payment bond or certificate of deposit.
- 7. The Purchaser will pay **Forest Improvement fees** and any special **Road Use and Maintenance fees** in addition to stumpage payments.
- 8. This sale is being sold based on the gross weight of all species. Minimum price and bid price is per ton. The price is for all species, green and dead. Billing will be based on gross weight. A weight ticket from a certified scale is required for every load.
- 9. The Department has estimated the net scale merchantable sawlog volume to be available for purchase under this contract. All delivered wood is required to be weighed. Payment will be at per ton bid rates. The Department recognizes that a percentage of delivered wood may not meet the log manufacturing and recovery standards of the timber sale contract. The actual percentage will vary based on the log manufacturing and recovery specifications of the purchaser and the tree conditions in the sale area. The actual delivered weight may also vary, resulting in an overrun or under-run of the estimated tonnage. DNRC strongly recommends that bidders evaluate these effects before bidding. Cost adjustments and stumpage credits/debits requested by the Purchaser based on actual vs. harvested volumes will not be granted.
- 10. DNRC does not conduct detailed road appraisals. All appraised costs are gross estimates or averages, provided only to show the relative amount of work required, and not its market value. Purchasers are strongly encouraged to make their own estimates based on contract requirements. Cost adjustments and stumpage credits/debits requested by the Purchaser will not be granted when based on actual vs. estimated costs.
- 11. Bidders should examine the Timber Sale Contract and sale area prior to bidding. Additional information is available at the phone numbers shown above. A tour of the sale area for prospective purchasers will not be given. Please be considerate of the landowners and cabin site lessees within the area.
- 12. Estimated stand data in this prospectus and volume estimates in the sale contract are not guaranteed.
- 13. <u>This prospectus is provided for information purposes only.</u> If the prospectus is in error or contradicts the Timber Sale Contract, the contract governs.

TABLE 1: Summary of Sale Specifications									
Sale Data									
96.5	Net Sale Area (acres) N/A Miles of road construction								
August 10, 2008	Contract ending date	1.35	Miles of road improvement						
N/A	Cable logging required (% of volume)	N/A	Miles of road reclamation or abandonment						
Operating Seasons: Au	igust 1 – October 15 and December 1 – Ma	rch 1							
	Charges and Appraised Costs								
\$3,203.00	Bid Guarantee (total \$)								
20% of bid value	Performance Bond								
N/A	Collected Road Maintenance And Road Use Charges								
\$2.79	Collected Forest Improvement Fee (\$ per ton concurrent w/stumpage) – includes charges for Road Use paid by DNRC								
N/A	N/A Quarterly Installment of Forest Improvement Payments								
\$1.47	Road Development Costs - Appraised Purchaser-Do (total \$)								
\$0.91	Road Maintenance Costs - Appraised Purchaser-Do (\$ per ton)								
\$0.59	Slash Disposal Costs - Appraised Purchaser-Do (\$ per ton)								
N/A	Timber Stand Improvement Costs - Appraised Purchaser-Do (\$ per ton)								

TABLE 2: Timber Cruise Data and Minimum Bids									
SPECIES	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL or AVE
Minimum Acceptable Bid	-	-	-		-	-	-		\$18.70/ton
Gross Cubic Feet (in thousands)	-	-	-	116.1	-	-	-	38.6	154.7
% Cull and Breakage	-	-	-	7.2	-	-	-	47.3	17.1
Net Cubic Feet (in thousands)	-	-	-	108	-	-	-	20	128
Pounds per cubic foot	-	-	-	56	-	-	-	40	53
Net tons	-	-	-	3,029	-	-	-	396	3,425
Gross MBF (Scribner 6" top DIB)	-	-	-	534	-	-	-	175	709
%Cull and Breakage	-	-	-	7.2	-	-	-	47.3	17.1
Net MBF	-	-	-	495.5	-	-	ı	92.2	587.8
Average logs per MBF	-	-	-	22.2	-	-	-	22.3	22.4
Average DBH	-	-	-	8.94	-	-	1	9.13	8.99
					Average	tons per a	cre harveste	ed in units	36
				Ave	rage MBF to	o cut per ac	re on the ti	mber sale	6.09 mbf./ac.
Range of cut trees per acre based on unit cruise 53-590 (avg 96)									
Calculated Sampling Error (net MBF): 18.7 %									
The total cruised volume will fall between 478 and 698 thousand net board feet in 9 out of 10 cruises									
Tons Per Thousand Board Feet Conversion Factor = 3,425 net tons per 587 net MBF = 5.83 tons per MBF									

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TABLE 3: Unit Harvest Volume and Harvest Schedule									
Unit	Section	Acres	Estimated Net Tons	Estimated Net MBF	Removal Date				
1	30	7.6	415.0	69.4	March 1, 2007				
2	30	11.2	239.7	42.9	March 1, 2007				
3	30	6.0	395.4	70.1	March 1, 2007				
4	30	25.5	972.6	171.3	March 1, 2007				
5	30	31.0	735.8	123.2	March 1, 2008				
6	32	5.7	102.0	15.7	October 15, 2007				
7	32	4.3	544.7	92.5	October 15, 2007				
8	32	5.2	20.0	2.7	March 1, 2007				
-	-	96.5	3,425.2	587.8	-				

Additional Sale Information:

- 1. Units 1, 2, 3, 4 and 8 will not be given an extension for harvest.
- 2. Units 6 and 7 have an osprey nest nearby. This has shortened the operational window for these units and those seasons are found in the contract (August 1 October 15 and December 1 March 1).
- 3. The Purchaser is responsible for the removal of non-sawlog material (approximately 318.2 tons) as part of this contract. There is a fixed stumpage price of \$1.00/ton. No Forest Improvement charges will assessed for this material.
- 4. "Jump-up" landings are acceptable with approval of Forest Officer.
- 5. Purchaser will need to call Missoula Electric Co-op (for buried line location) prior to constructing some road.
- 6. A 15 mile per hour speed limit is required for all log trucks traveling to or from this sale on the South Placid Lake Road.

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TABLE 4: Total Net Cubic Feet (6" top diameter) by Diameter Class and Species (Cut trees)									
	Thousand Cubic Feet								
DBH Class	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL
≥7 and < 9	-	-	-	12	-	-	-	1	13
≥9 and < 11	-	-	-	28	-	-	-	8	36
≥11 and < 13	-	-	-	38	-	-	-	10	48
≥13 and < 15	-	-	-	18	-	-	-	1	19
≥15 and < 17	-	-	-	9	-	-	-	1	10
≥17 and < 19	-	-	-	3	-	-	-	-	3
≥19 and < 21	-	-	-	-	-	-	-	-	-
≥21 and < 23	-	-	-	-	-	-	-	-	-
≥23 and < 25	-	-	-	-	-	-	-	-	-
≥25 and < 27	-	-	-	-	-	-	-	-	-
≥27 and < 29	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	108	-	-	-	21	129

	TABLE 5: Total Number of Cut Trees by Diameter Class and Species								
DBH Class	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL
≥7 and < 9	-	-	-	26	-	-	-	3	29
≥9 and < 11	-	-	-	20	-	-	-	11	31
≥11 and < 13	-	-	-	18	-	-	-	8	26
≥13 and < 15	-	-	-	6	-	-	-	-	6
≥15 and < 17	-	-	-	2	-	-	-	-	2
≥17 and < 19	-	-	-	1	-	-	-	-	1
≥19 and < 21	-	-	-	-	-	-	-	-	-
≥21 and < 23	-	-	-	-	-	-	-	-	-
≥23 and < 25	-	-	-	-	-	-	-	-	-
≥25 and < 27	-	-	-	-	-	-	-	-	-
≥27 and < 29	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	73	-	-	-	22	95

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Confusion Salvage

Road map

ATTACHMENT A-3



Placid-Boles Rd.

Access Rd.

Powerline Rd.

S. Placid Lake Rd.

Cabin Site Access Rds.

Driveway Rd.

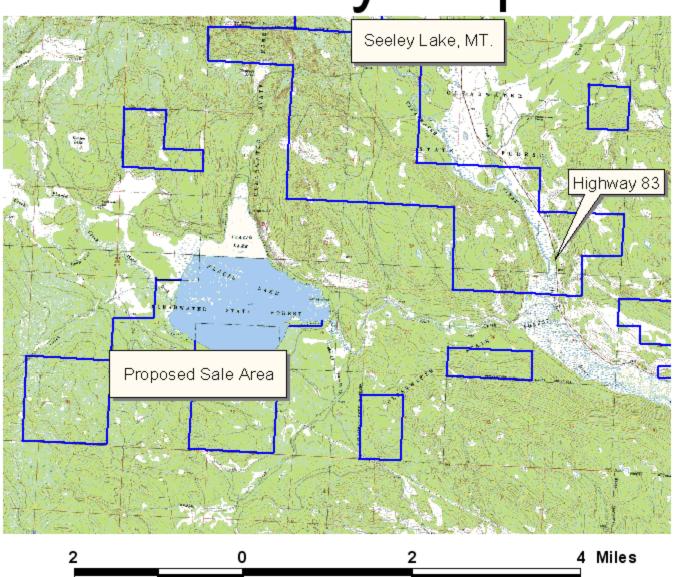
CVN 10-18-06

Vaughn Ck. Rd.



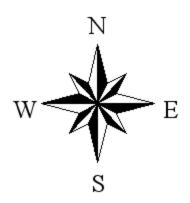
1 2 Miles

Confusion Salvage Vicinity Map Attachment A-1



CVN 10-5-06





Confusion Salvage

